

Minutes of the New Jersey Health Care Facilities Financing Authority Special Meeting held on November 30, 2017 on the fourth floor of Building #4, Station Plaza, 22 South Clinton Avenue, Trenton, NJ.

*The following Authority Members were in attendance:*

Dr. Munr Kazmir, Public Member (Chairing); and, via telephone Alison Gibson, Designee of the Commissioner of Health; Maryann Kralik, Designee of the Commissioner of Banking and Insurance; Jessica Feehan, Designee of the Commissioner of Human Services; and Suzette Rodriguez, Public Member

*The following Authority staff members were in attendance:*

Mark Hopkins, Ron Marmelstein, Frank Troy, Carole Conover, Marji McAvoy, Edwin Fuentes, Bill McLaughlin, and Chris Kniesler

*The following representatives from the State and/or the public were in attendance:*

Jeet Gulati, Attorney General's Office; Nicholas Kant, Governor's Authorities Unit; and, via telephone, Aimee Manocchio-Nason, Attorney General's Office

## **CALL TO ORDER**

Dr. Kazmir called the meeting to order at 10:01 a.m. and announced that this was a Special Meeting of the Authority. Complying with the Open Public Meetings Act and the Authority's By-laws, notice of this meeting was delivered to all newspapers with mailboxes at the Statehouse, including *The Star-Ledger* and *Courier Post*, enough in advance to permit the publication of an announcement at least 48 hours before the meeting.

Dr. Kazmir asked for a roll call to determine attendance and announced that there was a quorum.

### **1. AWARD CONSULTANT CONTRACT TO CONDUCT AN ASSESSMENT OF THE STATE PSYCHIATRIC HOSPITALS AND AMEND THE AUTHORITY'S 2018 BUDGET TO INCLUDE THE COSTS**

Dr. Kazmir called on Executive Director Mark Hopkins to provide the Members with a recommendation for awarding a consultant contract to conduct an assessment of the state's psychiatric hospitals and to amend the Authority's 2018 budget to include the cost of the contract and related expenses.

Mr. Hopkins reminded the Members that, effective August 28, 2017, Governor Christie's Reorganization Plan 001-2017 transferred the Division of Mental Health and Addiction Services, including the administration of the four (4) state psychiatric hospitals, from the Department of Human Services to the Department of Health (the "Department"). Pursuant to this directive, the Department requested that the New Jersey Health Care Facilities Financing Authority (the

“Authority”) assist the Department in engaging and supervising the work of a consultant to perform an organizational review and assessment of the four (4) state psychiatric hospitals.

Mr. Hopkins stated that, the day after the Authority Members approved the form of Request for Proposals (“RFP”) at the Authority meeting on October 26, 2017, the Authority staff mailed the RFP to all the health care consulting firms on its list of health care consulting firms. The Authority also posted the full RFP on the Authority’s website and the State’s website. Proposals were originally due on November 13 but, at the request of several of the firms seeking to make a proposal, the deadline for submission was extended to November 22.

According to Mr. Hopkins, six (6) proposals were received, but four (4) were determined to be non-responsive due to the failure to include the required Ownership Disclosure form and Disclosure of Investment Activities in Iran form. The two (2) responsive bidders were FTI Consulting and New Solutions, Inc. The proposals were scored by two employees from the Department of Health and Mr. Hopkins. New Solutions, Inc. scored the highest combined score among the responsive proposals.

Mr. Hopkins concluded by saying that the Authority staff is requesting that the Authority Members act on the following items:

1. Approval of the engagement of New Solutions, Inc. to perform an organizational review and assessment of the four (4) state psychiatric hospitals, with a report thereon to be completed by March 1, 2018 at a price not to exceed \$740,500 with expenses estimated at 10% to 15% of fees, all in accordance with the terms, conditions, duties and responsibilities outlined in the RFP, the terms and conditions attached to the RFP, and the proposal of New Solutions, Inc., the latter only to the extent anything therein does not contravene the RFP and the terms and conditions.
2. Approve an amendment to the Authority’s 2018 Budget by increasing the “Special Projects” line item by \$851,575 to reflect the addition of this consulting agreement, which includes \$740,500 in consulting fees plus up to the maximum of \$111,075 of expenses billed at cost.

Mr. Hopkins asked if the Members had any questions. There were no questions.

Dr. Kazmir asked for a motion to approve the resolution awarding a contract to New Solutions, Inc. to perform an organizational review and assessment of the four (4) state psychiatric hospitals. Ms. Gibson made the motion. Ms. Feehan seconded. Dr. Kazmir asked if there were any questions on the motion. There were no questions. Dr. Kazmir called for a vote. All Members voted in the affirmative and the motion passed.

### **AB RESOLUTION NO. RR-30**

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority hereby approves a resolution awarding a contract to New Solutions, Inc. to perform an organizational review and assessment of the four State psychiatric hospitals.

Dr. Kazmir asked for a motion to amend the Special Projects line item of the 2018 budget by \$851,575 for the cost of the consultant fees and related expenses. Ms. Gibson made the motion. Ms. Rodriguez seconded. Dr. Kazmir asked if there were any questions on the motion. There were no questions. Dr. Kazmir called for a vote. All Members voted in the affirmative and the motion passed.

### **AB RESOLUTION NO. RR-31**

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority hereby approves a resolution authorizing the Authority to amend the Special Projects line item of the 2018 budget by \$851,575 for the cost of the consultant fees and related expenses.

Mr. Hopkins informed the Members that at the December 7 Special Meeting, the following items will be on the agenda:

1. Approval of \$34 million of refunding bonds for CentraState Medical Center
2. Approval of a request from the Department of Treasury for a contingent bond sale to refund the HATP bonds issued on behalf of Saint Michaels's Hospital and St. Mary's Hospital
3. Approval to pay the invoice for the Directors and Officers/Liability/Employment Practices Liability insurance policy

Hearing no further business, following a motion by Ms. Gibson and a second by Ms. Kralik, the Members voted unanimously to adjourn the meeting at 10:11a.m.

I HEREBY CERTIFY THAT THE FOREGOING  
IS A TRUE COPY OF MINUTES OF THE NEW  
JERSEY HEALTH CARE FACILITIES  
FINANCING AUTHORITY SPECIAL MEETING  
HELD NOVEMBER 30, 2017.

---

Carole A. Conover, Assistant Secretary